

name veterans to public posts. The municipal court system preceded the present system of district courts, and there was political guessing as to who would be named by the governor. His Army experience served him well, and Dick served four years.

After the departure of Bove and Billado to other jobs, Bernie Dick ran his own practice for a while, and in 1949 formed a new legal association with Donald A. Hackel and Richard A. Hull. It was the latest step in a long and varied Rutland legal career.

Bernie, you will be sorely missed by all those who knew you, and by an entire community who benefitted from your knowledge, hard work and many talents.●

#### A TRIBUTE TO BARTLEY J. COSTELLO

● Mr. JEFFORDS. I rise today to pay tribute to a great Vermonter and a native son from my hometown of Rutland, Bartley J. Costello.

Bart will be remembered by all who knew him for his commitment to church and family, dedication to community and country, and generosity to his fellow man. A lifelong resident of Rutland, he gave much of himself to our great city, through charities, community organizations and Christ the King Church.

Bart was educated at Holy Innocents Primary School, Mount St. Joseph Academy, the University of Vermont and Albany Law School. His first job was as a teacher at the Muddy Brook School in Williston. He returned to Rutland to work at Howe Scale Co. and served as the assistant Rutland City Treasurer before joining the U.S. Army Air Corps and serving his country in World War II. He reached the rank of Captain before being discharged at the end of the war and returning home to Rutland.

A lawyer in Rutland for forty years with the firm of Webber and Costello, later Webber, Costello and Chapman, Bart was a distinguished member of the Bar, deeply respected and admired by my father, Chief Justice of the Vermont Supreme Court.

Bart was an excellent trial lawyer and a match for the best. And he had a wonderful sense of humor. Bart loved to tell the story of a jury selection when an aunt of his on the panel remained silent when the opposing attorney asked if any of the jurors knew Mr. Costello. Later, after excusing his aunt for obvious reasons, Bart asked her why she had kept quiet. "Well," she said, "I felt you would need all the help you could get."

I also knew him as an avid golfer and consummate sportsman. He and his lovely wife, Catherine, who survives him, were the perfect golfing couple, courteous and competitive, fun-loving and intense.

Bart, as well as Catherine, were blessed with four outstanding sons, Bartley III and Thomas, who are trial

lawyers in Albany, NY and Brattleboro, Brian, an award winning school teacher in Rutland, and Barry, a Rear Admiral in the U.S. Navy, currently with the Pentagon staff.

He served his community on many boards and organizations. He was a past Grand Knight at the Knights of Columbus, President of Vermont State Holy Name Society, Rutland Chamber of Commerce, Rutland Country Club and Rutland Regional Medical Center. He was elected to and served on the board of directors of Marble Savings Bank and the Rutland City School Board.

The Rutland Daily Herald had high praise for Bart, stating that he, "... left lasting marks for good on [his] native city." He was a man who loved life and was loved by all who knew him. We won't forget you, Bart.●

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

##### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Foreign Relations.

(The nominations received today are printed at the end of the Senate proceedings.)

#### EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-552. A communication from the Secretary of Energy and the Secretary of Labor, transmitting jointly, a draft of a proposed legislation entitled "Energy Employees Occupational Illness Compensation Amendment of 2001" received on January 11, 2001; to the Committee on Health, Education, Labor, and Pensions.

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. GRASSLEY (for himself, Mr. BREAUX, Mr. SMITH of Oregon, Mr. CLELAND, Mr. MURKOWSKI, Ms. LANDRIEU, Mr. CRAPO, Mr. BAYH, Mr. JEFFORDS, Mr. KYL, Mr. ROBERTS, Mr. HELMS, Mr. BUNNING, Mr. SANTORUM, Mr. CRAIG, Mr. STEVENS, Mr. FITZGERALD, Mr. BURNS, Mr. GREGG, and Mr. HATCH):

S. 234. A bill to amend the Internal Revenue Code of 1986 to repeal the excise tax on telephone and other communications services; to the Committee on Finance.

By Mr. MCCAIN (for himself, Mrs. MURRAY, Mr. HOLLINGS, Mrs. HUTCHISON, Mr. BINGAMAN, Mr. DOMENICI, Mr. BREAUX, Mr. BROWNBAC, and Mr. SMITH of Oregon):

S. 235. A bill to provide for enhanced safety, public awareness, and environmental protection in pipeline transportation, and for other purposes; read the first time.

By Mr. HUTCHINSON:

S. 236. A bill to amend the Internal Revenue Code of 1986 to expand the expense treatment for small businesses and to reduce the depreciation recovery period for restaurant buildings and franchise operations, and for other purposes; to the Committee on Finance.

By Mr. HUTCHINSON (for himself, Mr. COCHRAN, Mr. FRIST, Mr. INHOFE, Mr. LOTT, Mr. WARNER, and Mr. MURKOWSKI):

S. 237. A bill to amend the Internal Revenue Code of 1986 to repeal the 1993 income tax increase on Social Security benefits; to the Committee on Finance.

By Mr. WYDEN (for himself and Mr. SMITH of Oregon):

S. 238. A bill to authorize the Secretary of the Interior to conduct feasibility studies on water optimization in the Burnt River basin, Malheur River basin, Owyhee River basin, and Powder River Basin, Oregon; to the Committee on Energy and Natural Resources.

By Mr. HAGEL (for himself, Mr. DODD, Mr. ROBERTS, Mr. DORGAN, and Mr. LUGAR):

S. 239. A bill to improve access to the Cuban market for American agricultural producers, and for other purposes; to the Committee on Foreign Relations.

By Mr. FRIST:

S. 240. A bill to authorize studies on water supply management and development; to the Committee on Environment and Public Works.

By Mr. REID:

S. 241. A bill to direct the Federal Election Commission to set uniform national standards for Federal election procedures, change the Federal election day, and for other purposes; to the Committee on Rules and Administration.

By Mr. BINGAMAN (for himself, Mr. DOMENICI, and Mr. CRAPO):

S. 242. A bill to authorize funding for University Nuclear Science and Engineering Programs at the Department of Energy for fiscal years 2002 through 2006; to the Committee on Energy and Natural Resources.

By Mr. JOHNSON (for himself, Mr. BINGAMAN, Mr. DASCHLE, Mr. INOUE, Mr. COCHRAN, Mr. BAUCUS, Mr. REID, Mr. AKAKA, and Mr. CAMPBELL):

S. 243. A bill to provide for the issuance of bonds to provide funding for the construction of schools of the Bureau of Indian Affairs of the Department of the Interior, and for other purposes; to the Committee on Indian Affairs.

By Mrs. FEINSTEIN (for herself, Mr. HELMS, Mr. BROWNBAC, Mr. LEAHY, Mr. REID, Mr. NELSON of Nebraska, Mrs. CLINTON, Mr. DODD, Mr. BAUCUS, Mrs. BOXER, Mr. BYRD, and Mr. CARPER):

S. 244. A bill to provide for United States policy toward Libya; to the Committee on Foreign Relations.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KERRY (for himself, Mr. LUGAR, Mr. LEVIN, Mr. REID, Mr. GRAHAM, and Mr. WELLSTONE):

S. Con. Res. 7. A concurrent resolution expressing the sense of Congress that the United States should establish an international education policy to enhance national security and significantly further United States foreign policy and global competitiveness; to the Committee on Foreign Relations.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY (for himself, Mr. BREAUX, Mr. SMITH of Oregon, Mr. CLELAND, Mr. MURKOWSKI, Ms. LANDRIEU, Mr. CRAPO, Mr. BAYH, Mr. JEFFORDS, Mr. KYL, Mr. ROBERTS, Mr. HELMS, Mr. BUNNING, Mr. SANTORUM, Mr. CRAIG, Mr. STEVENS, Mr. FITZGERALD, Mr. BURNS, Mr. GREGG, and Mr. HATCH):

S. 234. A bill to amend the Internal Revenue Code of 1986 to repeal the excise tax on telephone and other communications services; to the Committee on Finance.

Mr. GRASSLEY. Mr. President, I rise today, along with Senator BREAUX and others, to introduce a bill to repeal the telephone excise tax—the Help Eliminate the Levy on Locution Act known as the HELLO Act. The telephone excise tax is a tax that is outdated, unfair, and complex for both consumers to understand and for the phone companies to administer. It cannot be justified on any tax policy grounds.

Mr. President, the federal government has had the American consumer on “hold” for too long when it comes to this tax. The telephone excise tax has been around for over 102 years. In fact, it was first imposed in 1898—just 22 years after the telephone itself was invented. So quickly was it imposed that it almost seems that Uncle Sam was there to collect it before Alexander Graham Bell could put down the receiver from the first call. In fact, the tax is so old that Bell himself would have paid it!

This tax on talking—as it is known—currently stands at 3 percent. Today, about 94 percent of all American families have telephone service. This means that virtually every family in the United States must tack an additional 3 percent on to their monthly phone bill. The federal tax applies to local phone service; it applies to long distance service; and it even applies in some cases to the extra amounts paid for state and local taxes. It is estimated that this tax costs the American public more than \$5 billion per year.

The telephone excise tax is a classic story of a tax that has been severed from its original justifications, but lives on solely to collect money.

In truth, the Federal phone tax has had more legislative lives than a cat.

When the tax was originally imposed, Teddy Roosevelt was leading the Rough Riders up San Juan Hill. At that time, it was billed as a luxury tax, as only a small portion of the American public even had telephones. The tax was repealed in the early 20th century, but then was reinstated at the beginning of World War I. It was repealed and reinstated a few more times until 1941, when it was made permanent to raise money for World War II. In the mid-60s, Congress scheduled the elimination of the phone tax, which had reached levels of 10 and 25 percent. But once again, the demands of war intervened, as the elimination of the tax was delayed to help pay for Vietnam. In 1973, the phone tax began to phase-out, but one year before it was about to be eliminated, it rose up yet again—this time justified by the rationale of deficit reduction—and has remained with us ever since.

This tax is a perfect example of why we must stop needlessly collecting the taxpayer's money—it does not pass any of the traditional criteria used for evaluating tax policy. First, this phone tax is outmoded. Once upon a time, it could have been argued that telephone service was a luxury item and that only the rich would be affected. As we all know, there is nothing further from the truth today.

Second, the federal phone tax is unfair. Because this tax is a flat 3 percent, it applies disproportionately to low and middle income people. For example, studies show that an American family making less than \$50,000 per year spends at least 2 percent of its income on telephone service. A family earning less than \$10,000 per year spends over 9 percent of its income on telephone service. Imposing a tax on those families for a service that is a necessity in a modern society is simply not fair.

Third, the federal phone tax is complex. Once upon a time, phone service was simple—there was one company who provided it. It was an easy tax to administer. Now, however, phone service is intertwined with data services and Internet access, and it brings about a whole new set of complexities. For instance, a common way to provide high speed Internet access is through a digital subscriber line. This line allows a user to have simultaneous access to the Internet and to telephone communications. How should it be taxed? Should the tax be apportioned? Should the whole line be tax free? And what will we do when cable, wireless, and satellite companies provide voice and data communications over the same system? The burdensome complexity of today will only become more difficult tomorrow.

As these questions are answered, we run the risk of distorting the market by favoring certain technologies. There are already numerous exceptions and

carve-outs to the phone tax. For instance, private communications services are exempt from the tax. That allows large, sophisticated companies to establish communications networks and avoid paying any federal phone tax. It goes without saying that American families do not have that same option.

Speaking of complexity, let me ask if anyone has taken a look at their most recent phone bill. It is a labyrinth of taxes and fees piled one on top of another. We may not be able to figure out what all the fees are for; but we do know that they add a big chunk to our phone bill. According to a recent study, the mean tax rate across the country on telecommunications is slightly over 18 percent. That is about a 6 percent rise in the last 10 years. I can't control the state and local taxes that have been imposed, but I can do my part with respect to the federal taxes. I seek to remove this burden from the citizens of my state—and all Americans across the country.

As members of Congress, we need to make sure that our tax policies do not stifle that economic expansion. We should not adhere to policies that are a relic from a different time. In today's economy, the arguments for repeal are even stronger.

Mr. President, it is time to end the federal phone tax. For too long while America has been listening to a dial tone, Washington has been hearing a dollar tone. This tax is outmoded. Why are we taxing a poor family's phone with a tax that was originally meant for luxury items. Mr. President, it is time we hung up the phone tax once and for all. I urge my colleagues to join me in supporting its repeal, and help all Americans to say “Hello.”

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 234

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Help Eliminate the Levy on Locution (HELLO) Act.”.

#### SEC. 2. REPEAL OF EXCISE TAX ON TELEPHONE AND OTHER COMMUNICATIONS SERVICES.

(a) IN GENERAL.—Chapter 33 of the Internal Revenue Code of 1986 (relating to facilities and services) is amended by striking subchapter B.

(b) CONFORMING AMENDMENTS.—

(1) Section 4293 of such Code is amended by striking “chapter 32 (other than the taxes imposed by sections 4064 and 4121) and subchapter B of chapter 33,” and inserting “and chapter 32 (other than the taxes imposed by sections 4064 and 4121).”.

(2)(A) Paragraph (1) of section 6302(e) of such Code is amended by striking “section 4251 or”.

(B) Paragraph (2) of section 6302(e) of such Code is amended by striking “imposed by—”